

261—25.8(15) Allocation of funds.

25.8(1) IDED may retain a portion of the amount provided for at rule 261—23.4(15) of the state's annual CDBG allocation from HUD and up to 10 percent of the state's annual HOME allocation from HUD for administrative costs associated with program implementation and operation.

25.8(2) Not less than 15 percent of the state's annual HOME allocation shall be reserved for eligible housing activities developed, sponsored or owned by CHDOs.

25.8(3) Up to a maximum of 60 percent of the state's annual HOME allocation may be reserved for rental housing activities jointly funded with HOME and low-income housing tax credits.

25.8(4) IDED will determine the appropriate source of funding, either CDBG or HOME, for each housing fund award based on the availability of funds, the nature of the housing activity and the recipient type.

25.8(5) IDED reserves the right to limit the amount of funds that shall be awarded for any single activity type.

25.8(6) Awards shall be limited to no more than \$500,000 for all single-family activities assisting homeowners or homebuyers. Awards shall be limited to no more than \$800,000 for all multifamily rental activities.

25.8(7) The maximum per unit housing fund subsidy for all single-family activities is \$24,999. Additional funds in excess of the \$24,999 per unit limitation may be used to pay technical services costs, lead hazard reduction costs, lead hazard reduction carrying costs, and temporary relocation costs as necessary or applicable.

25.8(8) The maximum per unit housing fund subsidy for all multifamily activities is \$50,000 per unit including both newly constructed units and the rehabilitation of existing multifamily units. The \$50,000 per unit multifamily limit includes all applicable costs including, but not limited to: hard costs of construction or rehabilitation; architectural or technical services costs; lead hazard reduction, lead hazard reduction or abatement costs; and temporary relocation.

25.8(9) Recipients shall justify administrative costs in the housing fund application. IDED reserves the right to negotiate the amount of funds provided for general administration and technical services, but in no case shall the amount for general administration exceed 10 percent of a total housing fund award.

25.8(10) IDED reserves the right to negotiate the amount and terms of a housing fund award.

25.8(11) IDED reserves the right to make award decisions such that the state maintains the required level of local match to HOME funds.